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**STATE OF NEVADA
DEPARTMENT OF BUSINESS AND INDUSTRY
DIVISION OF MORTGAGE LENDING**

In re:

Cedar Mortgage Company, Inc.,
a California corporation
dba Cedar Mortgage

Respondent.

STIPULATED SETTLEMENT AGREEMENT

The licensing and regulation of mortgage brokers, mortgage bankers and escrow agencies in the State of Nevada is governed by Chapter 645B, Chapter 645E and Chapter 645A of the Nevada Revised Statutes (hereinafter "NRS"), respectively, and the regulations promulgated thereunder. The State of Nevada, Department of Business and Industry, Division of Mortgage Lending (hereinafter the "Division") has the general duty to exercise supervision and control over mortgage brokers, mortgage bankers and escrow agencies pursuant to these chapters. Pursuant to that authority, the Division hereby enters into the following Stipulated Settlement Agreement (hereinafter "Agreement") with Cedar Mortgage Company, Inc., a California corporation dba Cedar Mortgage (hereinafter "Respondent") as follows:

RECITALS

WHEREAS, Respondent is a California corporation. Currently, Respondent's status with the Nevada Secretary of State is "default."

WHEREAS, pursuant to NRS 645B, Respondent was issued a mortgage broker license on October 13, 1998, and its current status with the Division is listed as "active license."

1 WHEREAS, based upon information and belief and at all relevant times herein
2 mentioned, Respondent conducted mortgage broker activity out of its licensed office located
3 at 6174 Westwind Way, Fallon, Nevada 89406 (hereinafter "Respondent's Licensed Office").

4 WHEREAS, pursuant to NRS 645B.020, "[if] a mortgage broker will conduct business
5 at one or more branch offices within this State, the mortgage broker must apply for a license
6 for each such branch office." See, NRS 645B.020(2).

7 WHEREAS, pursuant to NRS 645B. 085, "[e]xcept as otherwise provided in this
8 section, not later than 120 days after the last day of each fiscal year for a mortgage broker,
9 the mortgage broker shall submit to the Commissioner a financial statement..." See, NRS
10 645B.085(1).
11

12 WHEREAS, pursuant to NRS 645B.670, with limited exceptions, "(f)or each violation
13 committed by a mortgage broker, the Commissioner may impose upon the mortgage broker
14 an administrative fine of not more than \$25,000, may suspend, revoke or place conditions
15 upon his license, or may do both, if the mortgage broker...(i)s grossly negligent or
16 incompetent in performing any act for which he is required to be licensed pursuant to the
17 provisions of this chapter...(d)oes not conduct his business in accordance with law or has
18 violated any provision of this chapter, a regulation adopted pursuant to this chapter or an
19 order of the Commissioner...." See, NRS 645B.670(2)(b), (c).
20

21 WHEREAS, ON February 16, 2010, the Division issued a Notice of Intent to Impose
22 Fine and Notice of Right to Request Hearing (Unlicensed Activity) and a Notice of Intent to
23 Impose Fine and Notice of Right to Request Hearing (Failure to Submit Financials)
24 (collectively, the "Orders").

25 WHEREAS, after settlement negotiations, the Division and Respondent (collectively,
26 "the parties") herein mutually desire to resolve this matter without further proceedings through
27 this Agreement.
28

1 NOW, THEREFORE, in consideration of the representations, covenants and
2 conditions set forth herein, IT IS HEREBY STIPULATED AND AGREED by the parties that
3 the purported violations of NRS shall be settled on the following terms and conditions:

4 1. Respondent admits that it conducted unlicensed mortgage broker activities in
5 Nevada out of its California office and that it failed to file its financial statement for the year
6 2008.

7 2. Respondent shall, pursuant to NRS 645B.670 and/or NRS 622.400, pay to the
8 Division an administrative fine in the amount of Two Thousand Five Hundred Dollars and No
9 Cents (\$2,500.00). Respondent shall make payment, in full, to the Division of the
10 administrative fine upon its execution of this Agreement.
11

12 3. Contemporaneous with Respondent's execution of this Agreement, Respondent
13 shall voluntarily surrender its Nevada mortgage broker license to the Division, and
14 Respondent agrees not to apply for any license issued by the Division for a period of one year
15 from the date of its execution of the Agreement.

16 4. Respondent further agrees that in the event it violates any of the provisions of this
17 Agreement, the Division shall retain any and all remedies available to it in accordance with
18 NRS Chapter 645B.
19

20 5. The parties agree and acknowledge that this Agreement shall constitute the
21 complete and final resolution of any issues arising out of the Division's investigation into
22 Respondent's conduct as specified herein.

23 6. The parties represent and warrant that the persons executing this Agreement on
24 behalf of each party has full power and authority to do so, and has the legal capacity to
25 conduct the legal obligations assigned to it hereunder.
26

27 7. Respondent further acknowledges and agrees that the Division shall keep the
28 original of this Agreement.

1 8. This Agreement may be signed in counterparts and a facsimile signature shall be
2 deemed as valid as an original; however, Respondent shall immediately forward all original
3 signature pages to the Division.

4 9. This Agreement, as well as the rights and obligations of the parties hereto, shall be
5 interpreted, governed, and construed pursuant to the laws of the State of Nevada.

6 10. Any action to enforce this Agreement shall be brought in the Eighth Judicial District
7 Court of the State of Nevada in and for Clark County.

8 11. If the Division is successful in any action to enforce this Agreement, the court may
9 award it attorney's fees. It is specifically agreed that reasonable attorney's fees for the State-
10 employed attorneys shall be \$142.55 per hour.

11 12. Failure to declare a breach or the actual waiver of any particular breach of this
12 Agreement or its material terms, by either party, shall not operate as a waiver by such party of
13 any of its rights or remedies as to any other breach.

14 13. Respondent has the right to retain an attorney to review this Agreement at its sole
15 cost and expense and has freely and voluntarily chosen not to do so.

16 14. Other than the fine set forth herein, each side shall pay its own costs and fees,
17 including attorney's fees.

18 15. If any provision contained in this Agreement is held to be unenforceable by a court
19 of law or equity, this Agreement shall be construed as if such a provision(s) did not exist and
20 the unenforceability of such provision(s) shall not be held to render any other provision(s) of
21 this Agreement unenforceable.

22 16. This Agreement constitutes the entire agreement of the parties, and it is intended
23 as a complete and exclusive statement of the promises, representations, negotiations, and
24 discussions of the parties. Unless otherwise expressly authorized by its terms, this Agreement
25 shall be binding upon the parties unless the same is in writing, signed by the respective
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1 parties hereto, and approved by the Office of the Attorney General.

2 **17. NOTICE TO RESPONDENT:** By executing this Agreement, you hereby agree that
3 you are waiving certain rights as set forth herein. As Respondent, you are specifically
4 informed that you have the right to request that the Division file an administrative complaint
5 against you, if one has not already been filed, and at any hearing on such a complaint, you
6 would have the right to appear and be heard in your defense, either personally or through
7 your counsel of choice. If the Division were to file a complaint, at the hearing, the Division
8 would have the burden of proving the allegations in the complaint and would call witnesses
9 and present evidence against you. You would have the right to respond and to present
10 relevant evidence and argument on all issues involved. You would have the right to call and
11 examine witnesses, introduce exhibits, and cross-examine opposing witnesses on any matter
12 relevant to the issues involved.
13

14 You would have the right to request that the Commissioner of the Division issue
15 subpoenas to compel witnesses to testify and/or offer evidence on your behalf. In making this
16 request, you may be required to demonstrate the relevance of the witness's testimony and/or
17 evidence. Other important rights you have are listed in NRS Chapter 645B and NRS
18 Chapter 233B.
19

20 Respondent waives its rights to a hearing in this matter.

21 **18.** Respondent understands and agrees that this Agreement may be used to show
22 that past violations have occurred should any future disciplinary action be taken by the
23 Division.

24 **19.** In consideration of the execution of this Agreement, Respondent, for itself, its
25 owners, heirs, executors, administrators, successors, and assigns, hereby release, remise,
26 and forever discharge the State of Nevada, the Department of Business and Industry of the
27 State of Nevada, the Division, and each of their members, agents, attorneys (including any
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1 and all employees of the Nevada Attorney General), and employees in their individual and
2 representative capacities, from any and all manner of actions, causes of action, suits, debts,
3 judgments, executions, claims, and demands whatsoever, known and unknown, in law or
4 equity, that Respondent ever had, now has, may have, or claim to have against any or all of
5 the persons or entities named in this section, arising out of or by reason of the Division's
6 examination of Respondent, and all other matters relating thereto.

7
8 20. Respondent hereby indemnifies and holds harmless the State of Nevada, the
9 Department of Business and Industry of the State of Nevada, the Division, and each of their
10 members, agents, and employees, and employees of the Nevada Attorney General in their
11 individual and representative capacities against any and all claims, suits, and actions brought
12 against said persons and/or entities by reason of the Division's examination of Respondent,
13 this Agreement, and all other matters relating thereto, and against any and all expenses,
14 damages, and costs, including court costs and attorney fees, which may be sustained by the
15 persons and/or entities named in this section as a result of said claims, suits, and actions.

16
17 IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed
18 and intend to be legally bound thereby. This Agreement shall be deemed to be an order of
19 the Commissioner.

20 Dated this 30 day of April, 2010.


21 Cedar Mortgage Company, Inc.
22 dba Cedar Mortgage

23 By: Marguerite Nogosek
24 Marguerite Nogosek
25 Title: Broker

26 NEXT PAGE IS THE DIVISION'S SIGNATURE PAGE

27 Dated this 10th day of MAY, 2010.
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State of Nevada
Department of Business and Industry
Division of Mortgage Lending

By: 
Joseph L. Waltuch, Commissioner

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CERTIFICATE OF SERVICE

I certify that I am an employee of the State of Nevada, Department of Business and Industry, Division of Mortgage Lending, and that on , May 10, 2010, I deposited in the U.S. mail, postage prepaid via First Class Mail and Certified Return Receipt Requested, a true and correct copy of the foregoing, STIPULATED SETTLEMENT AGREEMENT for CEDAR MORTGAGE COMPANY, INC., A CALIFORNIA CORPORATION DBA CEDAR MORTGAGE addressed as follows:

Caroline Nilsen
Cedar Mortgage Company, Inc.
6174 Westwind Way
Fallon, NV 89406

Certified Receipt Number: 7006 2760 0000 0876 3770

DATED this 10th day of May, 2010

By: Susan Slack
Employee of the Division